

# Task Force on the Economic Future of Western Maryland

December 14, 2020; 10 AM

## MEETING MINUTES

### Task Force Members in Attendance:

- Senator George Edwards, *Co-Chair*
- Delegate Jason Buckel, *Co-Chair*
- Jody Sprinkle, *TEDCO*
- Cort Meinelschmidt, *Washington County Commissioner, MACO*
- Shelley McIntire, *Hagerstown City Council Member, MML*
- Al Delia, *Vice President for Economic and Regional Engagement, Frostburg State University*
- Stu Czapski, *Economic Development Specialist, Cumberland Economic Development Corporation, Allegany County Chamber of Commerce*
- Nicole Christian, *President and CEO, Garrett County Chamber of Commerce*
- Paul Frey, *President and CEO, Washington County Chamber of Commerce*
- Andrew Sargent, *Sr. Business Development Representative, Western MD, Maryland Department of Commerce*

### Task Force Staff in Attendance:

- Michael Siers, *Economist, Maryland Department of Commerce*

#### I. Call to Order

##### a. *Remarks by the Co-Chairs*

The co-chairs welcomed members and the public to the meeting. Senator Edwards said that the body should begin to zero in on what is most important. Senator Edwards recognized the recommendations task force members submitted in advance of the meeting and said he wondered if we could consolidate some together. Delegate Buckel noted that the body should focus on pulling some recommendations into legislation and then in the spring and summer the body can continue to focus on other items, as well as talking with other stakeholders in the region. Delegate Buckel noted that this coming legislative session will be unique and it may be difficult to pass a lot of legislation, and so the body should focus on its top priorities. Senator Edwards mentioned that perhaps the body should develop a strategic plan for submitting its priorities.

##### b. *Approval of prior meeting minutes*

The minutes from the November 16 meeting were approved with no objections.

## II. Discussion of initial recommendations

- TF-1 - TF-6:

- Senator Edwards gave a quick overview of TF-1 and several of the similar ideas submitted by task force members. Delegate Buckel noted that he was very supportive of the ideas that came in around a “Western Maryland Economic Future Investment Fund.” Delegate Buckel said he thought further discussion should be framed around the funding amount, the timeframe, oversight, and the purpose. For the funding amount, Delegate Buckel agreed with TF-1 and TF-3 that the amount should be \$20 million each year. Delegate Buckel also liked the idea of a five-year pilot program in TF-1, TF-2, and TF-3. Delegate Buckel stressed that he wanted clear purposes assigned to the fund so that it was not used as or viewed as a “slush fund.” Instead, Delegate Buckel said the body should find a way to structure the purpose towards economic growth so that it does not limit other options from Annapolis. Conversation moved to discussing which body would have oversight of the potential pilot program. Senator Edwards suggested the Tri-County Council for Western Maryland or Department of Commerce. Delegate Buckel worried if the Tri-County Council had enough staff to handle administering the amount of funding being proposed. Cort Meinelschmidt recommended the Revolving Loan Fund (RLF) because they are already focused on working with businesses. This helps structure the program and make it potentially not so broad. On the purpose of the program, Senator Edwards said that he liked many of the categories contained in TF-3, but that he worried that setting strict percentages might limit the funding unnecessarily. Al Delia agreed with this, saying that priorities in the future may change. Al Delia stated that the body should identify definitive metrics to tie to the program, such as expanding economic opportunities (e.g., jobs, tax revenue, etc). Al Delia also suggested claw backs if a project does not meet the requirements. This would make it so that the most viable options are the ones that receive funding. Delegate Buckel agreed, saying that the most crucial thing is that all of the programs fall under economic creation/job creation and should be focused not on sustaining the status quo but improving upon it. Senator Edwards asked about the proposed match amount. TF-1 suggested a 20% match while TF-3 has a 10% match. Senator Edwards wanted a higher match so that counties feel more invested in outcomes. Cort Meinelschmidt worried that a high match percentage may discourage poorer counties from applying for some items, especially for projects like PEP grants. Senator Edwards suggested a two-tier program of 20% and 10% by purpose. Jody Sprinkle suggested that a short-term solution could be to adding money to an existing program, such as MEDAAF, but restricting the funding to only go to Western Maryland. Delegate Buckel agreed this could be a fallback. Senator Edwards said his concern with that approach would be someone from outside of Western Maryland making the decision on behalf of the counties and that he wanted the local stakeholders to be as involved as possible.

- TF-7 and TF-8: Jody Sprinkle noted that TEDCO has MII and by statute it is limited to five research institutions. The thought behind TF-7 and TF-8 would be to create a pilot program to expand MII to Frostburg not necessarily for tech transfer but to find other ways to get universities to partner with businesses (though there could be entrepreneurship opportunities as well). Al Delia noted that MII currently is designed to incentivize spinout of businesses, but that smaller institutions could not necessarily do that. Instead, through partnering with businesses, the program could “spin in” innovation. Delegate Buckel said he was very happy to see this recommendation and asked if Jody Sprinkle and Al Delia could draft more specific language that could be submitted to DLS. Jody Sprinkle also noted that supplemental funding would need to be proposed for this to work.
- TF-9: Al Delia noted that for smaller universities the amount of the match is more difficult to get, so TF-9 would make it easier for smaller institutions such as Frostburg to participate.
- TF-10: Al Delia summarized the recommendation and noted that he did not have specific sectors in mind and that it may be better to identify different key sectors for different counties. Cort Meinelschmidt noted that this recommendation could be a part of the pilot program discussed in TF-1 through TF-6. Delegate Buckel agreed and proposed that perhaps each county could designate 2 key industries each. However, Delegate Buckel noted that he would not want a tax credit to come out of the \$20 million funding amount and there may need to be a way to put it on top of existing funds. Senator Edwards asked if there was a way to expand existing tax credits to apply more in Western Maryland as part of TF-10.
- TF-11: Al Delia provided an overview of the recommendation. Senator Edwards suggested that this could work with one park as a pilot. Any expansions, renovations, etc would be paid for by the person leasing the park but they could then realize a greater revenue stream. This could be a way to help the state earn some money and aid with staff shortages.
- TF-12: Jody Sprinkle gave an overview of the recommendation and noted that it is based off of legislation from 2020. Jody Sprinkle recommended that amendments to the bill focus on Western Maryland. Delegate Buckel said he thought it made sense and asked that if the Hogan administration resubmits bills that he and Senator Edwards be notified so that they can coordinate on submitting friendly amendments.
- TF-13: Jody Sprinkle gave an overview of the recommendation. Delegate Buckel said that if this recommendation came from the task force the body would need to identify funding. Jody Sprinkle agreed that funding was needed for this priority.
- TF-14: Jody Sprinkle noted that the incubators are in need of upgrading. Delegate Buckel wondered if the body could identify a limited funding stream for improving some of the incubators in the region.

- TF-15 through TF-19: Nicole Christian gave an overview of recommendations she submitted. Delegate Buckel noted that on TF-16, on middle housing, a bill was in the General Assembly last year, but got transferred to the Environment and Transportation Committee. Delegate Buckel stated that he would support a bill on this if one comes to his committee. Delegate Buckel also voiced support for TF-15, on a tourism tax credit. Delegate Buckel noted that the bill may get more support if it is a bipartisan effort. Nicole Christian noted that there had been some bipartisan discussions around this. Senator Edwards noted that there may be a way to combine TF-18 on lakes with TF-11 on Public Private Partnerships.
- G-1 through G-10: Senator Edwards noted that many of these items would fall under projects that would be funded/enacted under the pilot program discussed in TF-1 through TF-6.
- P-1: Senator Edwards noted that this item is a big item for Western Maryland's forestry sector.
- P-2: Senator Edwards, Cort Meinelschmidt, and Delegate Buckel all voiced support for the rail trail. Chip Wood, a member of the public who submitted the recommendation, urged task force members to review items he emailed to Michael Siers.

### III. Next Steps

Task Force members agreed that at least one more meeting was needed prior to approving recommendations. Michael Siers agreed to coordinate with task force members on a time to meet between December 21 and December 23. Afterwards, the task force would meet next in early January.

### IV. Closing Remarks/Adjournment

The co-chairs adjourned the meeting.